

**Trinidad & Tobago**

<b>Sector</b>	<b>Sector selection factors</b>	<b>Economic Findings</b>	<b>Environmental Impacts</b>	<b>Social Impacts</b>	<b>Legal-Regulatory Effects</b>
<p><b>Food and Beverage</b></p>	<p><b>Economic/Trade Factors:*</b></p> <ul style="list-style-type: none"> <li>• Assumed that the removal of import tariffs in Trinidad &amp; Tobago would have a negligible effect on exports, since 90% of exports already benefit from privileged access.</li> <li>• Manufactures benefit from privileged access in the CARICOM market.</li> <li>• A fall in the production of the food and beverage sector will have a negligible effect on other sectors.</li> <li>• Likelihood of new Foreign Direct Investment from North America into food and beverage sector.</li> <li>• United States continues to be the major market for Trinidad and Tobago's exports. This was probably in part due to Trinidad and Tobago's use of the benefits of the Caribbean Basin Initiative (CBI) and the increase in the exports of fuels (including natural gas) to</li> </ul>	<ul style="list-style-type: none"> <li>• Imports of goods will increase by just over US\$ 1 billion as a result of tariff reductions.</li> <li>• FTAA access will result in the exports of goods and services which are not being exported currently.</li> <li>• The increase in imports will lead to a US\$ 1.7 billion fall in the GDP, representing about 11% of the country's 2005 GDP.</li> <li>• Given the current structure of the Trinidad &amp; Tobago economy, the assessment estimates that the food and beverage sector is likely to be affected negatively.</li> <li>• No sector has potential for growth or change based simply on entry into the FTAA.</li> <li>• New export opportunities may arise from Foreign Direct Investment, perhaps due to 'outsourcing' by North American firms, in sectors targeted for growth.</li> </ul>	<ul style="list-style-type: none"> <li>• There is unlikely to be further strain on the environment given the overall fall in production, and the lack on intrinsic linkages between the various productive sectors of the Trinidad &amp; Tobago economy. All this may change if entry into the FTAA encourages the coming into being of export oriented productive activity.</li> <li>• Given the fall in overall production, the environmental impacts associated to the production of food and beverages, such as water use, solid waste production, use of chemicals, and discharge of greenhouse gas, will decrease.</li> </ul>	<ul style="list-style-type: none"> <li>• An overall fall in the production of food and beverages might signify an increase in unemployment; social consequences could include poverty, family tension, and homelessness.</li> </ul>	<ul style="list-style-type: none"> <li>• In a more dynamic framework, there might be an expansion of activity based on the 'outsourcing' of activity currently undertaken in North America, or on behalf of North American owned firms in other parts of the world. The Environmental Management Authority should ensure the environmental suitability of such activity in advance.</li> </ul>

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	<p>the United States.</p> <ul style="list-style-type: none"> <li>• United States remained the main supplier of merchandise imports to Trinidad and Tobago, despite a reduction in its share after 1999. Both CARICOM and Canada supply approximately 4% of Trinidad and Tobago's imports and 16.33 % come from both the EU and the Rest of the World.</li> <li>• The Free Trade Area of the Americas (FTAA) is important to Trinidad and Tobago; it absorbs an average of approximately 77% of Trinidad and Tobago's exports and supplies it with approximately 64% of its imports.</li> </ul> <p><b>Social Factors:*</b></p> <ul style="list-style-type: none"> <li>• The Government of Trinidad &amp; Tobago has identified and targeted the Food and Beverage sector as a key industry for intensified developmental focus. The Government is now involved in intensive promotional activities to attract investments in these areas.</li> </ul>				

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	<p><b>Environmental Factors:*</b></p> <ul style="list-style-type: none"><li>• The Food and Beverage industry is water and energy consuming and discharger of greenhouse gas (due to the use of cooking, refrigeration, and freezing systems).</li></ul> <p><i>* Data limitations in Trinidad and Tobago, constrained a more detailed approach in the assessment at the sector level.</i></p>				

